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## International Sanctions and Their Impact on Economic and Political Stability: A Case Study of Syria, 2000-2024

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### ABSTRACT

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Economic sanctions have often been portrayed as geopolitical and geoeconomic tools of coercion, primarily used as strategies of intervention when the so-called authoritarian regimes engage in armed conflict, human rights violations, or other forms of international disturbances. Using the case study of Syria, which faced sanctions in the initial decades of the 21<sup>st</sup> century, this study aims to discuss the nature and extent of possible economic and political consequences of such sanctions at the domestic level. As data from the World Bank and other international indicators reveal, various measurable dimensions have been affected in the Syrian state, namely, economic growth, inflation, jobs, trade, poverty, and state capacity—all of which are clear indicators of economic stability. The case study of Syria illustrates that, when combined with conflict within the country and institutional breakdown, sanctions are contributing to a disastrous economic crisis as well as poverty. Furthermore, an analysis of the media discourse reveals that sanctions tend to generate elite control of scarce resources, thereby leading to authoritarian resilience. The paper concludes that sanctions, if imposed without effective political engagement and strong humanitarian safeguards, have the effect of increasing rather than reducing instability at the domestic level.

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## INTRODUCTION

In an anarchical international system, military intervention by any powerful state upon a smaller, resource-rich state is often looked upon with suspicion by other great powers. Under such circumstances, economic sanctions are deemed relatively more suitable. What then are such sanctions? How do they operate, and most importantly, do such sanctions negatively impact the citizens of the sanctioned state? Economic sanctions are limitations that are imposed on a country by another country, institutions, or a group of countries. Sanctions may be embargoes, export controls, capital controls, trade sanctions, asset freezing and travel restrictions. According to the United Nations Charter, the UN has enacted sanctions in order to maintain international peace and security. Sanctions are employed to induce changes in the policies of a country. According to the Council on Foreign Relations, sanctions are employed as a replacement for military intervention, which is cheaper and less risky. The goal of imposing sanctions is for the protection of democracy and human rights. Sanctions range from travel bans, arms embargoes, asset freezes and trade restrictions. The study by Biersteker and Portela (2022) disapproves of the notion that sanctions are a single decision, and states that sanctions fit into a larger international system.

The sections which follow, attempt to investigate the possible impact of such sanctions on the economy and political stability of Syria. Literature abounds on the economic and humanitarian costs of sanctions, but not specifically on stability. Do economic sanctions bring about economic breakdowns and political instability? Do regimes collapse as a result of sanctions?

## MEASURING ECONOMIC AND POLITICAL STABILITY: THE RATIONALE

When one attempts to study the impact of economic sanctions (independent variable) on economic and political stability (dependent variables) in the particular case of Syria, one first needs to deem such variables measurable. Defining economic and political stability for the purposes of this study is of primary importance here.

Economic stability is a condition in which fluctuations in the macro economy parameters, such as the Gross Domestic Product, inflation, poverty, trade, and employment are predictable and balanced. Economic stability is important for the development of the country. Economic instability occurs in a condition when these economic parameters cannot reduce properly. The causes of this are external shocks and internal imbalances.

Political stability can be defined as a situation, where the political system of the country functions normally and without any outside pressure. In political stability, the government plays lesser roles



constitutionally, corruption is minimum, civil unrest does not exist and the voice of the citizens is not suppressed. There is a relationship between political stability and economic stability. A stable political system in a country means it has higher chances of attracting foreign investors and growth.

Syria has been chosen as a case study because it was allegedly an authoritarian regime under the leadership of al Asad. Sanctions were imposed on the Syrian regime first by the United States and later by the European Union based on allegations of supporting terrorist groups, intervention in Lebanese politics through proxy organisations, violent repression of protesters at the time of Arab Spring, as well as, administering hazardous chemical weapons on civilians. The international narratives focused mostly on the logic behind the need of such sanctions, but there was hardly any focus on the poverty which ensued because of international sanctions, the institutions destabilised as well as the humanitarian cost in the aftermath of such sanctions. This research attempts to fill this gap by using Global Sanctions database, Our World In data, World Bank, IMF and other such sources combined with qualitative analysis of leaders' speeches, discourse analysis, as well as, review of scholarly literature.

On the flip side, several studies have explored the reasons behind sanctions and refute liberal assumptions of sanctions being used as a mechanism for democracy. Pambagyo and Maksum (2025) reveals sanctions are imposed for geopolitical interests of the sanctioning country instead of being imposed for humanitarian reasons. They argued how U.S. sanctions against Syria under the Assad regime were intended to weaken the role of Russia and Iran and bring Syria under a Western-aligned security order. Hanania (2020) studies the United States sanctions towards Syria and finds that they have been ineffective, and have had a negative impact on the Syrian economy. Hellquist and Palestini (2021) examine the legitimacy of regional sanctions and conclude that sanctions are not about democracy but about power play within and between nations. Such realist claims add weight to the possible erosion of the economy and healthy politics in such states.

### **SANCTIONS: TIMELINE AND LOGIC**

The Syrian state faced sanctions imposed by two major agencies—the United States, and the European Union. The official logic behind such sanctions have been mentioned as under.

According to TRT World, the sanctions on Syria by the United States started in 1979. In 1979, US sanctions were imposed in an effort to end the state-sponsored terrorism of Syria. The US President George W. Bush signed an executive order imposing sanctions on Syria in 2004. Under these sanctions, US exports to Syria (except food and medicine) were banned, but in addition, banking transactions were



prohibited as well. In 2011, US President Barack Obama imposed sanctions in response to the humanitarian violence as a result of the Syrian civil war. Under these sanctions, petroleum products exports and investments were banned. In 2017, the US imposed sweeping sanctions against 270 government employees of the Syrian Scientific Studies and Research Center because of the use of chemical weapons in Syria. These included assets freezes and travel bans. In 2019, Donald Trump placed sanctions on Syria for the peace initiative in Syria. In 2020, the Caesar Syrian Civilian Protection Act entered into force, in which secondary sanctions were to be imposed. Such secondary sanctions included sanctions against entities doing business with the Assad regime.

The European Union, however, presented a different logic. According to the European Council of the European Union, people suffered due to the conflict in Syria. 250,000 men, women, and children died, 7.6 million people were internally displaced, and 4 million people migrated outside Syria. The European Union offered political and economic support to halt the humanitarian crisis in Syria. It was claimed that peace, stability and sovereignty, independence, unity and integrity could be preserved in Syria only through a Syrian-led political process based on the Geneva Communique principles of 30 June 2012. The EU deemed the unity of the international community as important in order to resolve the conflict in Syria and recommended the adoption of the political and security track. The goal of political track was to reach the causes of the civil war, and to achieve an inclusive political transition. The security track was intended to defeat the regional and global threat of Daesh. Regional and International Engagement, the European Union involved regional countries such as Saudi Arabia, Turkey, Iran and Iraq to resolve conflicts and promote cooperation. It was alleged, furthermore, that chemical weapons were employed in the Syrian civil war which was against international law as well as the Chemical Weapons Convention. Due to the violence that occurred in Syria in 2017, the European Union renewed the sanctions imposed against the Syrian regime for one year, that is, till June 2018. Sanctions were also imposed upon members of the Syrian government. These sanctions involved oil embargoes, asset freezes and travel bans. According to the EU, military intervention would not be appropriate to end the crisis in Syria; the UN Security Council Resolution 2254 of 2015 and the Geneva Communique would be helpful.

### **IMPACT ON ECONOMIC STABILITY**

Studies reveal that sanctions function through economic and bureaucratic mechanisms, which are often in the interests of the political elite and create adverse situations for the civilians. This causes economic instability in practice. Andronik's (2018) study shows that sanctions resulted in economic collapse, growing unemployment, the degradation of the health sector, and food insecurity in Syria. They have



been found to have disrupted trade in Syria, imposed financial restrictions, and oil embargo, which made things worse. They made civilian conditions worse while keeping the political elite protected. Kanfash (2025) examined food security in Syria with sanctions and reported that sanctions which imposed restrictions on agricultural products increase inflation and disturb remittances. Food was no longer affordable to most of these civilians; the availability of food was limited. The study by Andronik (2018), Kanfash (2025), and Moret (2023) described the process leading to circumstances of human insecurity as a result of sanctions. Sanctions resulted in banking, fuel and import restrictions, which negatively affect food production, the health system and infrastructure.

Yazigi's(2014) study focuses on the effect of sanctions on Syria and illustrates the way sanctions, coupled with the resulting violence, have the effect of informalizing the economic order. Kanfash(2025) and Pankhurst's sanctions study the effect on the economy of a country. Sanctions make investment possible and impossible.

Economic stability, however, is a broad concept. In an attempt to make it measurable, the sections which follow discuss different parameters of economic stability, and whether, and to what extent, each of these parameters were impacted by the economic sanctions on Syria.

## Trade

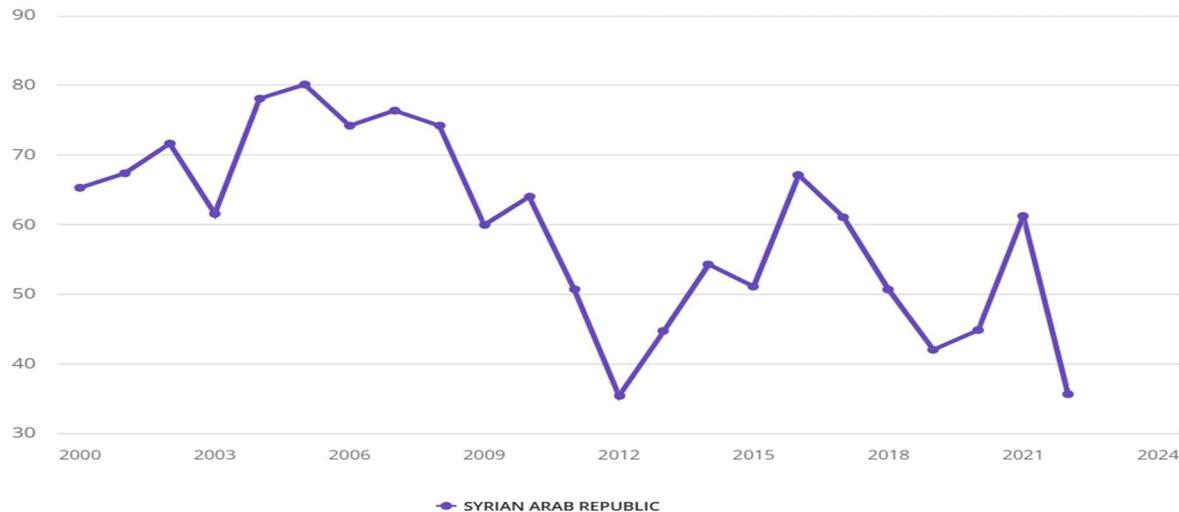
Trade is one of the most important parameters to measure economic stability. Trade is the movement of goods, services and capital between countries, individuals and firms. According to the World Bank, trade is important for development of a country. Jobs are created through trade, poverty is lessened. Trade brings economic growth to the country and plays an important role in the country's GDP. Sanctions are restrictions on the trade of a country through the use of quotas and tariffs. Sanctions increase the cost of exports and imports for the country, due to which trading expensive for the country. In the absence of trade, it may be argued, that economic growth of a sanctioned country is adversely impacted.

Figure 1.1 gives Syria's Trade (% of GDP). The time period is displayed on the X-axis and the trades are displayed on the Y-axis. Syria's trade was 65.28% in 2000. It was 61.55% in 2003. It was 74.21% in 2006. It was 59.94% in 2009. It was 35.37% in 2012. It was 51% in 2015. It was 42% in 2019. It was 61.22% in 2021. It was 35.61% in 2022.

Before the conflict, Syria's trade was between 65%-80% in the 2000s. This shows that trade was an important part of the Gross Domestic Product of Syria. In 2011-2012, trade remained at 35%. During this time period there was civil war in Syria which had a huge impact on the economy of the country.

**Figure 1.1 Syrian Trade (% of GDP) from 2000-2024****Trade (% of GDP)**

Syrian Arab Republic, 2000-2024



**Source:** *World Development Indicators* | *DataBank*. (2016). Worldbank.org. <https://databank.worldbank.org/reports.aspx?source=2&series=NE.TRD.GNFS.ZS&country=SYR>

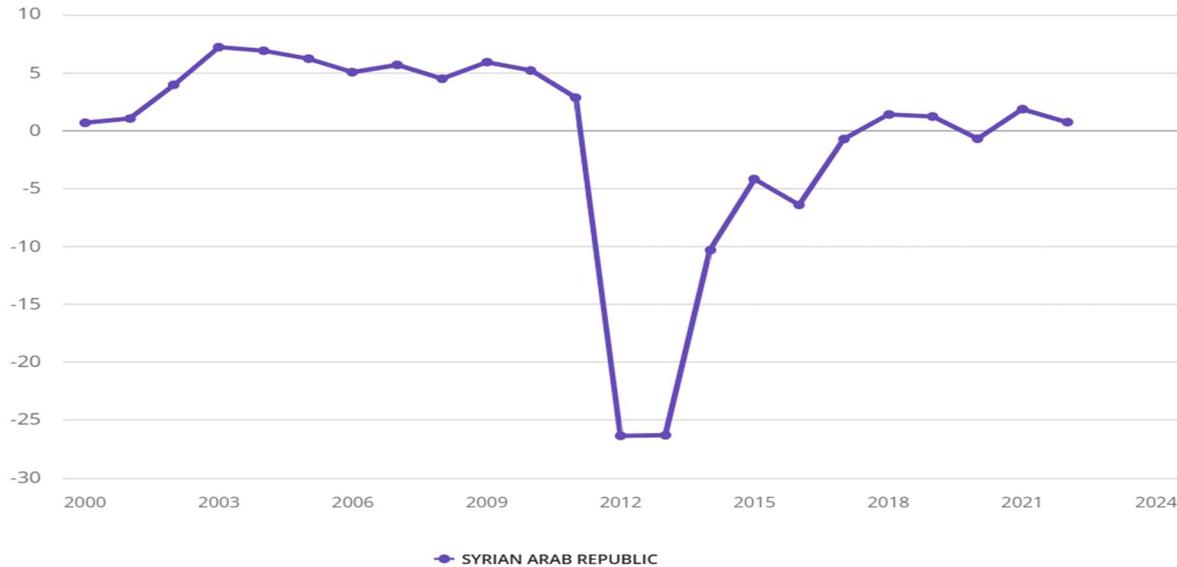
Sanctions imposed by the US and EU banned Syria's oil export and financial markets, which plagued trade further. In 2016-2017, trade increased slightly. This move up in imports was attributed to aid to institutions and remittances. The Caesar Act of 2020 placed a ban on Syria. Due to these sanctions, the trade in Syria contracted by 35.61% in 2022. According to the World Bank, because of the decrease in oil and tourism revenue from Syria in 2010, Syria's exports have dropped from \$18.4 billion in 2010 to \$1.8 billion in 2021. According to Syrian political economy expert Benjamin Feve, sanctions have played an important role in the failure to recover from the destruction of the economy due to the war.

**Economic Growth**

Economic growth is another parameter to measure economic stability. Do sanctions negatively impact economic growth? Economic growth is a measure of the increase in the production of goods and services in a given period of time. According to the Oxford dictionary: "Economic growth is the increase in the production of goods and services per head of population over a stated period of time". Economic growth is measured in terms of Gross Domestic Product. It has effects on the standard of living of the people of a country.

**Figure 1.2 GDP (annual% growth) of Syria from 2000-2024****GDP (annual % growth)**

Syrian Arab Republic, 2000-2024



**Source:** World Bank Open Data. (2015). World Bank Open Data. <https://data.worldbank.org/indicator/ny.gdp.mktp.kd.zg?end=2024&start=2000>

Figure 1.2 illustrates the growth in the GDP of Syria from 2000 to 2024. The X-axis represents the period of time and the Y-axis represents the percentage of GDP growth. In 2000, Syria's GDP growth was 0.68%. In 2003, the change was 7.20%. In 2007, the change was 5.67%. In 2010, it was 5.19%. In 2012, GDP growth fell to -26.34%. In 2015, the growth was -4.18%. In 2018, the growth was 1.39%. In 2022, the GDP growth was 0.73%.

Syria's economic growth was low in 2003-2007, but this growth was stable. Syria's economic growth declined to -25% in 2011-2012. The reason for this decline was Syria's civil war and sanctions by the EU and the US. GDP recovered in 2014-2017 but still registered a negative result. Growth was 0%-2% in 2018-2024. Sanctions negatively impacted the economic recovery of Syria.

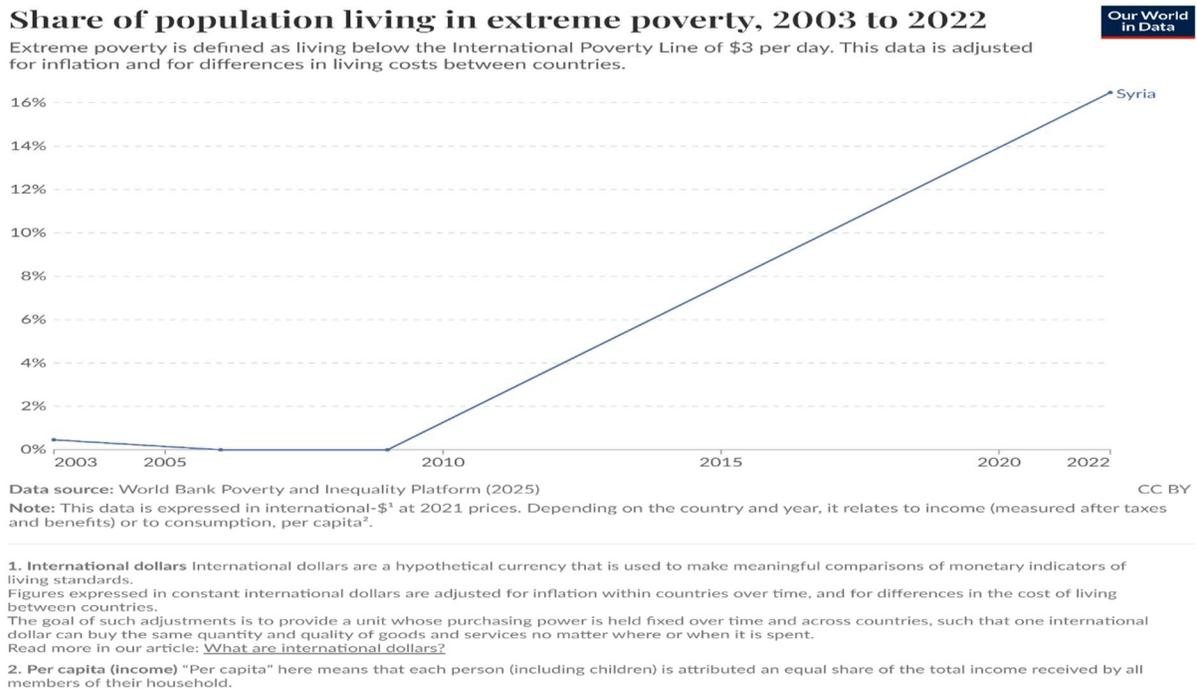
**Poverty**

Poverty is another indicator, signifying that economic stability of a state is affected. Poverty is a situation in which people lack the basic necessities such as food, shelter, education, healthcare, etc. Poverty can be attributed to factors such as low income, inequality and social inequality, health problems, governance and policy gaps. Poverty has a drastic effect and impedes development. The definition of



poverty varies from one country to the other, so if national poverty line is established is not an accurate measurement of poverty. The World Bank has defined an international poverty line at \$3 a day to measure international poverty.

**Figure 1.3 Share of population living in extreme poverty in Syria from 2003-2022**



**Source:** World Bank Poverty and Inequality Platform (2025) – with major processing by Our World in Data.<https://archive.ourworldindata.org/20260127-114142/grapher/share-of-population-in-extreme-poverty.html>

Figure 1.3 presents the proportion of population living in extreme poverty in Syria from 2003 to 2022. In 2003, 0.46% of Syria's population was living in extreme poverty, this has reduced to 0% in 2009 and has risen to 16.47% in 2022.

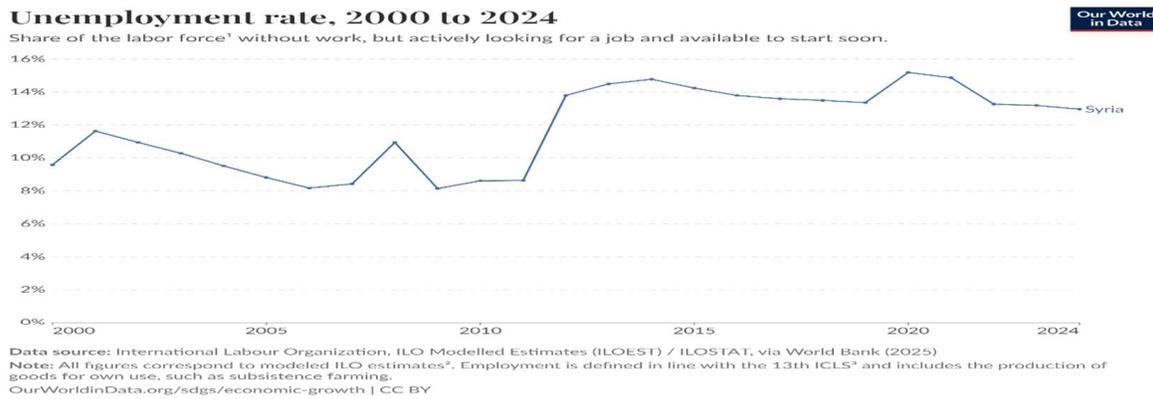
In the 2000s, poverty in Syria was close to 0%, which is an indication that there was no extreme poverty in Syria. This demonstrates that food, fuel and electricity were available, even subsidised. The people had sources of employment. However, as data reveals, poverty in Syria began to grow continuously after 2011. In 2012-2013, poverty increased to 16%.



## Unemployment

The previous indicator, that is, poverty is often a subset of this parameter, namely, unemployment—one of the strongest indicators of economic instability. Unemployment is a situation where an individual is either unwilling to work, or, is willing to work at the available wages, but nevertheless, is not able to find work. Unemployment is an indicator of the well-being of any economy. Sanctions affect trade which has a negative impact on export and import associated employment. The prohibition against foreign investment affects employment. Wages of government employees are also affected because of a decrease of government budget. A study by **Ali Movaddasi Kelishomi and Roberto Nistico (2023)** shows that due to sanctions, the firms lay off workers to reduce their costs. Unskilled workers make a living by performing informal jobs with low wages or little or no job security. Studies by **Gary Clyde Hufbauer, Kimberly Ann Elliott, Tess Cyrus, and Elizabeth Winston (2007)** reveal that there is an impact on employment as a result of sanctions, which is larger in oil dependent nations.

**Figure 1.4 Unemployment rate in Syria from 2020 to 2024**



1. **Labor force** People who are not seeking work or are not available, such as students, retired people, or unpaid caregivers, are outside the labor force.  
 2. **Modeled estimates (ILO)** Labor market data isn't always easy to compare. Countries define key concepts like "employment", "unemployment", or "working age" differently, and in many places the data is patchy or missing. To make labor market statistics more comparable across countries and over time, and calculate global aggregates, the International Labour Organization (ILO) produces "modeled estimates". First, they harmonize the existing national data according to international definitions, so that indicators mean the same thing everywhere. All ILO modeled estimates are based on the standards and definitions set out in the 13th ICLS. Where survey data is incomplete or missing for a given country or year, the ILO uses statistical modeling to fill those gaps. The result is a dataset that covers almost all countries and years, allowing for global and regional comparisons. However, like any model, these estimates come with some uncertainty, especially where the underlying national data is limited. They are most reliable for identifying broad global or regional patterns, rather than detailed trends within individual countries. You can read more about the methods in the [ILO modeled estimates documentation](#).  
 3. **13th International Classification of Labour Statisticians (ICLS)** International labor force statistics are based on standards agreed upon at the International Conference of Labour Statisticians meetings. These meetings bring together experts to agree on common definitions and provide a shared language that serves as a foundation for measuring and monitoring the functioning of labor markets around the world. The 13th ICLS standards were first adopted in 1982 and are still widely used by countries when designing national labor force surveys. But some countries have already adopted more modern definitions, such as those set in the 19th ICLS. Data based on different ICLS standards is not directly comparable. All ILO modeled estimates are based on the 13th ICLS standards. You can read more about it in this [ILO document](#).

**Source:** ILO Modelled Estimates, via World Bank (2026) – processed by Our World in Data.  
<https://archive.ourworldindata.org/20260203-104517/grapher/unemployment-rate.html>

Figure 1.4 plots the unemployment rate in Syria between 2000 to 2024. The X- axis is used to display the time period, and the Y- axis is used to display the percentage of unemployment rate. Unemployment in



Syria was 9.6% in 2000. Unemployment was 8.8% in 2005. Inflation was 8.6% in 2010. Unemployment increased to 14.5% in 2013. Unemployment was 15.2% in 2020. Unemployment was 13% in 2024.

Between 2000 and 2010, the unemployment rate in Syria was between 8-11.5%. The economy of Syria is a public sector economy, an economy driven by agriculture, and an economy dominated by low productivity services. Private jobs were restricted because of state control in Syria. After 2011, the unemployment rate rose to 14% in Syria. Unemployment in Syria was on the rise because of the civil war and the sanctions of 2011. Sanctions damage industries and infrastructure, and result in a reduction of employment. Between 2014 and 2019, unemployment was between 13.5% and 14.8%. Owing to sanctions, major part of Syria's labour force migrated to other countries.

### Inflation

Inflation is yet another parameter to judge whether an economy is unstable, or is on the road to a complete crisis. It depicts a rise in price of goods and services. It causes economic instability by reducing the purchasing power of people. Sanctions add to inflation in the country. A study by Hufbauer, Scott, Elliott and Oegg (2007) shows that restrictions on imports due to sanctions increase costs of production for the country that is sanctioned, thereby increasing domestic costs. According to Neueichir and Neumeier 2015, sanctions cause the rise of inflation in import-reliant countries. A study by Early and Peksen (2021) indicates that sanctions cause a rise in the price of big-ticket items such as fuel, medicine, and food.

Figure 1.5 Inflation of consumer prices in Syria from 2000 to 2019





**Source:** International Monetary Fund (IMF) International Financial Statistics, via World Bank (2026) – processed by Our World in Data. <https://archive.ourworldindata.org/20260202-181317/grapher/inflation-of-consumer-prices.html>

Figure 1.5 depicts the consumer price inflation in Syria from 2000 to 2019. The X-axis indicates the period of time, and the Y-axis indicates the percentage of inflation. In 2000, inflation in Syria was -3.85%. In 2005, inflation was 7.24%. In 2010, inflation was 4.40%. In 2013, inflation increased to 40%. In 2014, inflation was 10.93%. In 2015, inflation was 38.46%. In 2018, inflation was 0.94%. In 2019, inflation was 13.42%.

As the available data depicts, between 2000 and 2010, the inflation in Syria was between 0-10%, indicating low or stable inflation. A study by Volker Perthes (2004) shows that price controls by the government (the state) in Syria helped keep consumer prices inflation stable. The rise of inflation in 2011 by 40% was the result of the war and inflation in 2013. A study by Dreger, Kholodlin, Ulbricht and Fidrmuc (2016) shows that sanctions limit Syria's access to foreign currency and a depreciation of the Syrian pound. According to the European Parliament Research Service, sanctions put limits on financial transactions and oil production capability, which resulted in a reduction in domestic production capacity. Inflation declined in 2014 to 10.93%. Inflation rose again to 47% in 2016. Sanctions were imposed on trade, increasing the cost of imports to fuel inflation.

## IMPACT ON POLITICAL STABILITY

Sanctions arguably impact political stability, and not merely the economic stability of the sanctioned state. The extent of political destabilisation may, however, be contested. A study by **De Vries, Portela and Guijarro-Usobiaga (2014)** shows that sanctions can be effective if they are well designed. This paper argues that sanctions fail because they are imposed under the political pressure, while if they are imposed under the cost assessment and coordination then sanctions can be effective. According to **Robert Pape's (1997)** study, sanctions neither delay regime change, nor speed them up, as aimed by most sanctions.

Often, the objective of imposing the sanctions is to bring about a change in the policy framework and regime of the sanctioned country. A study by Haggard and Kaufman (1995) shows that sanctions bring about an economic crisis in a country, rendering the government incapable of providing the availability of essential goods in the country, the result being the erosion of the legitimacy of the government. Studies



by Peksen (2011) and Neuenkirch and Neumeier (2015) demonstrate that sanctions reduce government revenue which has a negative impact on the government's efficiency.

### **Political Stability: Key Characteristics**

Political stability is a situation where there is no outside pressure and influence on the political system. Lipset's (1959) work says that political stability is related to legitimacy and political stability is necessary for successful governmental authority. Douglas North (1990) links the political stability of a state with the ability of institution to function effectively. Under politically stable circumstances, the rule of law, laws are frequently enforced. In times of instability, the government often conducts violent actions to suppress the protest and the voice of its citizens, and this undermines the legitimacy of citizens towards the government. The study of Alesina et al. (1996) states that under circumstances of political instability, the government often makes use of unconstitutional means due to which a situation of regime collapse becomes imminent following a civil war and coup. samuel huntington (1968) contends that political instability is in a situation in which the government is unable to meet up the demands of the citizens.

For the purposes of this study, a few parameters of political stability have been laid out to test the extent to which each parameter of political stability is impacted in the advent of imposition of economic sanctions.

#### *Legitimacy of the Political Structure*

The stability of any political system is based on its acceptance by its citizens. For the political system to function properly, it must achieve the public legitimacy. According to studies by Weber (1978) and Lipset (1959) in a situation of political stability, citizens willingly obey the rules and regulations of the state without being coerced.

#### *Effective Institutions*

Effective institutions are necessary for political stability. The effectiveness of institutions shows that the rules and regulations are correctly formulated and regulated. The independence and transparency of the bureaucracy is also very important for political stability. Absence of Political Violence is equally necessary. For a state to sustain and thrive, there must be no civil war or political conflict in the state. According to the studies of Gurr (1970) and Hibbs (1973), in the case of stability, the government must not suppress dissent violently but rather effectively and act with public opinion behind it.

*Absence of Corruption*

Corruption leads to loss of trust by citizens to the government. According to a study by Mauro (1995) corruption leads to political instability causing citizens to oppose the government.

*Economic Stability*

Economic stability is required for political stability. Economic stability is a state of affairs where parameters such as economic growth, inflation, employment and poverty of the state are in a balance. Przeworski et al. (2000) state that political stability is linked to a stable economic growth, manageable inflation, and employment.

**Sanctions and their contested impact on political stability**

Sanctions are widely being used internationally as a coercive economic tool, with the objective of bringing about a change in the policies of the sanctioned country. Overtly, sanctions are used as a rhetoric in order to uphold human rights and peace. There is much debate over the goal and result of imposition of sanctions. Sanctions also cause political instability in the country.

**Negatively Affect State Capacity**

There are a number of ways in which sanctions can have a negative impact on the state's capacity. According to Fukuyama (2013), sanctions negatively affect the economy of a country because they reduce the revenue of the government, thus decreasing the ability of the state to fulfill the demands of the citizens. A study conducted by Wang and Ni (2025) indicates that governance failure arises because of erosion in the state capacity. Institutions are unable to function properly. This suggests that sanctions, which result in decline in trade and investment, results in decline in state capacity.

*Destruction of the relationship between state and society*

The legitimacy of its citizens is very important in the political stability of a state. Citizens legitimize the state for rules and regulations to saddle it against itself. According to Lipset (1959), political stability requires that a government should be legitimate. This legitimacy depends on the effective functioning of state institutions. Economic crises resulting from sanctions, whereby governments fail to invest in social welfare programs, leads to loss of trust by the citizens in the state.



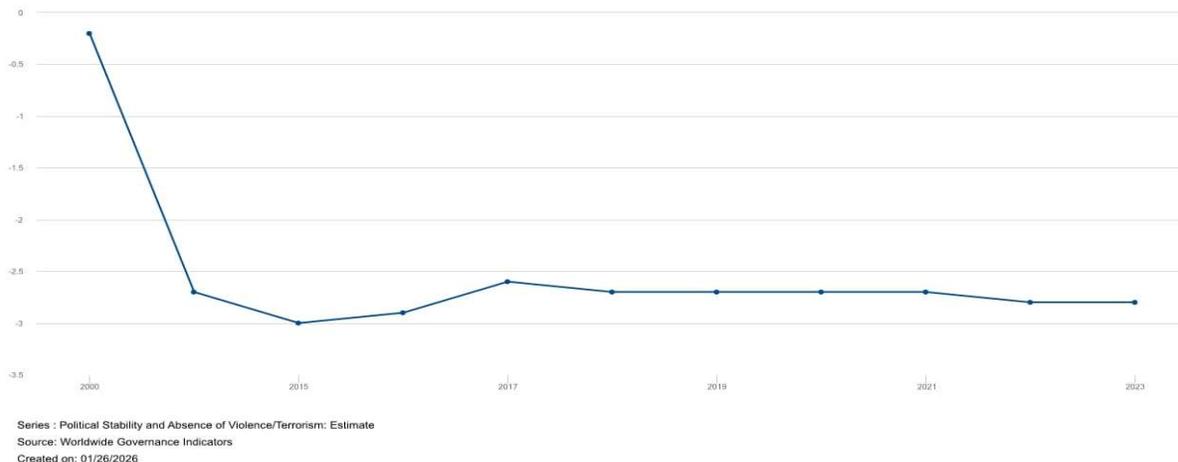
*Strengthening Authoritarian Regimes*

Studies conducted by Dursun Peksen (2011) and Daniel Drezner (2011) indicate that authoritarian regimes apply sanctions as external pressure and mobilize national sentiments. This centralizes realm power and impacts in negative way on human rights of citizens.

**Political Instability in Syria: Evidences?**

Given the supposed impact of sanctions on various parameters of political instability, it would be interesting to note the empirical backing of such claims.

**Figure 1.6 Political Stability and Absence of Violence/Terrorism: Estimate in Syria from 2000 to 2023**



**Source:** *Worldwide Governance Indicators | DataBank.* (n.d.).

<https://databank.worldbank.org/reports.aspx?dsid=3&series=PV.EST>

Figure 1.6 illustrates the situation of political stability and no violence/terrorism in Syria from 2000 to 2023. The time domain is on the X-axis and the governance values from -2.5 to 2.5 are shown on the Y-axis. Syria's governance score stood at -0.2 in 2000, -3 in 2015, -2.6 in 2017, -2.7 in 2019 and -2.8 in 2023.

The political instability of a country is reflected in the World Bank's Worldwide Governance Indicator. This data reveals political instability in terms of unconstitutional style of governance and terrorism. This data is an indicator of the government's capacity to make good policies, accountability, rule of law, control of corruption and effective political stability. This data is in between -2.5 and 2.5 scores. 2.5 is



showing good stability while -2.5 is showing instability. According to the World Bank, political instability has an impact on economic development, opportunities for investment and quality of life of people.

In 2000, Syria's score is reflected as -0.3, which signals instability in Syria, but the above score was moderate because of its authoritarian rule and low degree of violence. According to the World Bank, political stability can also occur in authoritarian regimes provided there is little violence. Syria's score on the political stability dimension dropped to -2.7 in 2014. The reasons for this fall were the Arab Spring in 2011, civil war and sanctions. A study by Crawford and Kakorska shows that the sanctions imposed on Syria after 2011 in addition to the conflict made the situation of Syria worse. This contributed to Syria's collapse in terms of economy and state capacity. Since 2018, Syria political stability score is -2.7, which shows unstable political system of Syria. The long-term sanctions imposed on Syria have made things even worse. Crawford and Karkorska (2017) and Peksen (2017) say that sanctions help in maintaining authoritarian regimes that lack legitimacy and destroy the rights of citizens. The Worldwide Governance Indicators Political Stability and Absence of Violence/Terrorism indicates that Syria has political instability, which is worsening over time.

## CONCLUSION

The case study of Syria clearly depicts a causal link between economic sanctions, on one hand, and the domestic economic and political stability of the state on the other. A clear benchmark is the civil war in Syria in 2011, an event followed by economic sanctions, challenging both economic as well as political stabilisers. The economic impact is more glaring, given drastic impacts on parameters like Syria's economic growth, trade, inflation, employment, and poverty levels. These measurable parameters reveal that the impact is not mere short-term lapses, rather they have long term consequences. The sanctioning agents like the United States and the European Union in Syria reveal restrictions on trade, financial transactions and energy exports—all restrictions which impact the production capacity in Syria negatively. The target originally being managing Syria's domestic and foreign policy, the sanctions have proved to garner long term humanitarian and economic costs. The distorted Syrian economy seems to have political costs—such as reduced trust in leaders and political institutions. World Bank's Political Stability and Absence of Violence/Terrorism Index has reflected the fact that political instability has continued to linger in Syria. The large-scale narratives behind such sanctions are framed to invoke peace, stability, human rights. Yet, as this research reveals, ground reality narrates a different story.



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